

PINNACLE HOMES

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January 20, 2006

TO: Alan Lloyd, Ph.D, CalEpa
✓ Anne Baker, Deputy Secretary, CalEPA
Eileen Tutt, Assistant Secretary, CalEPA
P. O Box 2815
Sacramento, CA 95812-2815

FROM: Richard A. Dowd, Vice-President
Pinnacle Homes

SUBJECT: Support for Targets & California Climate Action Team
Recommendations

My firm, Pinnacle Homes, is a medium-sized residential homebuilder in Northern California. We produce between 30 to 50 homes per year with an average sales price between \$1mm and \$1.5mm, and all of our homes meet the "green building" requirements of the County of Sonoma, and thus all of the houses are built conscious of energy conservation.

I became interested in the "Global Warming" issue several years ago, and have become more active in the past year. Frankly, I not only believe that we cannot ignore this issue any longer, but also believe that if this issue is brought to the center of our thinking in regards to land planning, transportation, water supply, wastewater issues, to name but a few, we will find significant improvement in our decisions.

I support the greenhouse gas reduction targets you set for California on June 1, 2005.


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I also support the key recommendations in the Climate Action Team's report dated December 8, 2005:

- A mandatory reporting requirement starting with the largest emitters
- A public goods charge on petroleum
- A coordinated investment strategy for State funding programs
- Early action credit to California businesses

Regarding the public goods charge, I concur that Californians have accrued great benefits from the electricity and natural gas public goods funds. I expect we will accrue similar efficiencies in transportation, the single biggest source of global warming pollution in our State, by using the funds generated through the proposed petroleum public goods charge.

Global warming threatens our economy, quality of life, health, and environment. As one of the largest emitters of greenhouse gas in the world, California must take the lead. California will benefit from policies that support development and investment in clean, efficient energy and innovative technologies. We can reduce greenhouse gas and save money. For example, DuPont has reduced GHG emissions by almost 70 percent since 1990 and realized a net savings \$2 billion. IBM reduced GHG emissions by 65 percent and realized a net savings of \$791 million. CalEPA estimates that worldwide demand for new technologies developed to reduce GHG emissions will create a global market potential of over \$180 billion annually.

I urge your administration to move forward expeditiously in implementing the strategies your staff recommended for reducing greenhouse gas emissions. I understand that all of the recommended strategies must be implemented to meet California's targets.